



Economic Impact Analysis Virginia Department of Planning and Budget

12 VAC 85-40 – Regulations Governing the Practice of Respiratory Care Practitioners; Department of Health Professions

August 21, 2002

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.G of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.G requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. The analysis presented below represents DPB's best estimate of these economic impacts.

Summary of the Proposed Regulation

Section 54.1-2912.1 of the *Code of Virginia* mandates that the Board of Medicine (Board) establish continuing education requirements for practitioners whom it licenses, which include respiratory care practitioners. The proposed regulations establish requirements for 20 hours of continuing education per biennium from an approved sponsor or organization. Additional provisions address exemptions or extensions of time for compliance, documentation requirements, and evidence of continuing education for reinstatement or reactivation of an inactive license. The regulations also revise sections pertaining to approval of examination or the receipt of examination results to make the regulations more adaptable to computerized testing and allow the Board to accept equivalent education to that required for credentialing by the National Board on Respiratory Care (NBRC) if another equivalent, national credential became available. Several editorial changes are also proposed.

Estimated Economic Impact

The most significant change proposed to the current regulations is the addition of continuing education (CE) requirements for the renewal of an active license. The existing rules require 160 hours of professional practice per biennium to renew an active license. The monetary costs of this provision are the costs of any courses offered for the purposes of meeting the requirements of this regulation (whether paid for by the practitioner, his employer, or professional association). The Board believes that the majority of respiratory care practitioners already obtain sufficient hours of continuing competency activities or courses in a biennium. Licensees who work for organizations are often required to take in-service training or continuing education for employment or for professional credentialing. For these individuals, the proposed requirements will not result in any additional costs aside from those associated with the documentation and maintenance of records. For other practitioners, however, the proposed CE requirements can be expected to represent a new cost. Based on information provided by the agency, the monetary costs for earning the required CE hours could range from \$0 to several hundred dollars per biennium for each of the 3,000 licensees. Additionally, practitioners would incur the cost of the time spent on pursuing such activities, whether in lost income or lost leisure time, and any costs associated with the documentation and maintenance of the records. These costs can be estimated the practitioner's wage rate by the number of additional hours, in this case 20 hours. Depending on the number of people affected and the cost per person, the total costs could be significant.

Reinstatement of Inactive and Lapsed Licenses

Requirements are set forth that the reactivation of an inactive license or reinstatement of a lapsed license include documentation of having completed continued competency hours equal to the requirement for the length of time, not to exceed three years, that the license has been inactive.

Conclusion

The proposed CE requirements and license reactivation criteria can be expected to provide some beneficial results. The proposed rules would provide some assurance to the public that respiratory care practitioners licensed by the Board of Medicine are maintaining their knowledge, skills, and competencies. There is no empirical evidence currently available with

which to make credible estimates of the potential costs and benefits associated with the proposed requirements.

The Board of Medicine will also incur costs related to enforcement of the proposed CE requirements. Based on experience with other professions, the Board estimates that the biennial audits of licensees will result in approximately five or six cases settled with a pre-hearing consent order (\$100 per case) and one or two cases requiring informal conference committee proceedings (\$500 per case). Enforcement of the proposed requirements will increase compliance, and if the requirements themselves result in a net economic benefit, then the enforcement costs are also justified.

Businesses and Entities Affected

There are 3,000 respiratory care practitioners currently licensed in Virginia who would be affected by the proposed changes to this regulation.

Localities Particularly Affected

The proposed changes to this regulation are not expected to uniquely affect any particular localities.

Projected Impact on Employment

The proposed changes to this regulation are not expected to have any significant effect on employment in Virginia.

Effects on the Use and Value of Private Property

The proposed changes to this regulation are not expected to have any significant effect on the use and value of private property.